

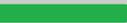
# NASDAQ Copenhagen

## Danish Corporate Governance Recommendations (May 2013)

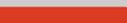
As a company organised under Danish law and with a primary listing on Nasdaq Copenhagen, Novo Nordisk is in compliance with Danish securities law and it is Novo Nordisk's intent to be guided by the Danish Corporate Governance Recommendations announced by Nasdaq Copenhagen (last updated November 2014, prepared by the Danish Committee on Corporate Governance). Nasdaq Copenhagen has required Danish companies to report on a "comply-or-explain" basis their compliance with these recommendations. Novo Nordisk is in compliance with all but three of the Danish Corporate Governance Recommendations.

<p><b>Danish Corporate Governance Recommendations</b></p> <p> The recommendation is being fulfilled</p> <p> The recommendation is partially being fulfilled</p> <p> The recommendation is not being fulfilled</p>	<p><b>Novo Nordisk's approach</b></p>
<p><b>Chapter 1</b>    <b>Communication and interaction by the company with its investors and other stakeholders</b></p> <p><i>The company's investors, employees and other stakeholders have a joint interest in stimulating the Company's growth, and in the company always being in a position to adapt to changing demands, thus allowing the company to continue to be competitive and create value.</i></p> <p><i>Therefore, it is essential to establish a positive interaction not merely between management and investors, but also in relation to other stakeholders.</i></p> <p><i>Good corporate governance is also about establishing appropriate frameworks which enable investors to enter into a dialogue with management of the company.</i></p> <p><i>Openness and transparency are essential conditions for the company's investors and other stakeholders to have regular access to evaluate and relate to the company and its future, and thus engage in a constructive dialogue with the company.</i></p> <p><i>As owners of the company, the shareholders should actively exercise their rights and influence at general meetings in order to help the company's management protect the interests of its shareholders as best as possible and thereby ensure an appropriate and balanced development of the company in the short and long term.</i></p>	<p>N/A</p>

## Danish Corporate Governance Recommendations

 The recommendation is being fulfilled

 The recommendation is partially being fulfilled

 The recommendation is not being fulfilled

## Novo Nordisk's approach

### 1.1. Dialogue between company, shareholders and other stakeholders

**1.1.1.** The Committee **recommends** that the board of directors ensure ongoing dialogue between the company and its shareholders in order for the shareholders to gain relevant insight into the company's potential and policies, and in order for the board of directors to be aware of the shareholders' views, interests and opinions on the company.

Novo Nordisk's Board of Directors ensures that the company through its investor relations activities has an ongoing dialogue with its shareholders in order for the shareholders to gain relevant insight into Novo Nordisk's potential and policies.

To keep investors updated on performance and the progress of clinical development programmes, Novo Nordisk hosts conference calls with Executive Management following the release of financial results and at other key events. Executive Management and Investor Relations also travel extensively to ensure that all investors with a major holding of Novo Nordisk shares can meet with the company on a regular basis and other shareholders and potential investors also have access to the company's Management and Investor Relations.

Furthermore to ensure the Board of Directors is kept aware of the shareholders' views, interests and opinions on the company the chairman of the Board hosts conference calls with around 10 of the largest investors prior to the annual general meeting, participates in the annual shareholder meeting and receives written feedback on recent topics discussed with investors prior to board meetings.

Investor Relations materials and presentations and other shareholder reporting are available on the Novo Nordisk website, for example press releases, company announcements, annual general meeting notice and agenda, etc.

Novo Nordisk is well regarded in external rankings and solicits a perception study among key investor and analyst stakeholders to understand their view of the company.

Announcements to the market and annual reports are published in both Danish and English.

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<p><b>1.1.2.</b> The Committee <b>recommends</b> that the board of directors adopt policies on the company's relationship with its stakeholders, including shareholders and other investors, and that the board ensures that the interests of the shareholders are respected in accordance with company policies.</p>	<p>Novo Nordisk's key stakeholders and their main interests are identified in the Annual Report, which is approved by the Board of Directors.</p> <p>Further, the Board has adopted the Novo Nordisk Way, which includes a specific reference to the importance of building and maintaining good relations with stakeholders. Novo Nordisk has a corporate function, Communication, Relations &amp; Sustainability, which guides and coordinates engagements with stakeholders to ensure that the stakeholders' interests and roles are taken into account. Other functions manage dedicated stakeholder relations such as Investor Relations. The Board oversees such activities in this area.</p> <p>Finally, Novo Nordisk has a Tax Strategy 2020 in place which was last approved by the Board of Directors in December 2017.</p>
<p><b>1.1.3.</b> The Committee <b>recommends</b> that the company publish quarterly reports.</p>	<p>Novo Nordisk publishes quarterly financial reports.</p>
<p><b>1.2. General meeting</b></p>	
<p><b>1.2.1.</b> The Committee <b>recommends</b> that, when organizing the company's general meeting, the board of directors plans the meeting to support active ownership.</p>	<p>The Board and Executive Management promote active ownership and attendance at general meetings and organize general meetings in accordance herewith.</p> <p>All shareholders receive a notice convening general meetings by ordinary mail unless the shareholder has actively opted-out. A proxy/written vote form allowing shareholders to consider each individual item on the agenda is enclosed to the notice convening the general meeting. It is also possible for shareholders to vote electronically by proxy or correspondence (written vote) on novonordisk.com.</p>
<p><b>1.2.2.</b> The Committee <b>recommends</b> that proxies granted for the general meeting allow shareholders to consider each individual item on the agenda.</p>	<p>Proxies/written vote forms granted for the general meeting allow shareholders to consider each individual item on the agenda.</p>
<p><b>1.3. Takeover bids</b></p>	
<p><b>1.3.1.</b> The Committee <b>recommends</b> that the company set up contingency procedures in the event of takeover bids from the time that the board of directors has reason to believe that a takeover bid will be made. According to such contingency procedures, the board of directors should not without the acceptance of the general meeting, attempt to counter the takeover bid by making decisions which in reality prevent the shareholders from deciding on the takeover bid themselves.</p>	<p>Novo Nordisk has set up contingency procedures in the event of takeover bids and adheres to the recommendation.</p>

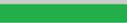
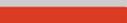
<p><b>Danish Corporate Governance Recommendations</b></p> <p> <span style="color: green;">■</span> The recommendation is being fulfilled  <span style="color: yellow;">■</span> The recommendation is partially being fulfilled  <span style="color: red;">■</span> The recommendation is not being fulfilled </p>	<p><b>Novo Nordisk's approach</b></p>
<p><b>Chapter 2 Task and responsibilities of the board of directors</b></p> <p><i>It is incumbent upon the board of directors to carefully protect the interests of the shareholders with due consideration for the other stakeholders.</i></p> <p><i>The board of directors is responsible for the overall and strategic management of the company to ensure value creation in the company. The board of directors must to lay down the strategic goals of the company and ensure that the prerequisites necessary in order to reach such goals are present, in the form of financial resources and competences, and to ensure appropriate organisation of the activities of the company.</i></p> <p><i>The prerequisite for meeting the company's strategic goals is that the board of directors employ a competent executive board, lays down the division of responsibilities between the board of directors and the executive board, the tasks and employment relationships of the executive board, and also establishes clear guidelines for accountability, planning, follow-up and risk management. The board of directors must supervise the executive board and lay down guidelines for the supervision.</i></p> <p><i>The board of directors is responsible for ensuring the development, retention or dismissal of the executive board, as well as for ensuring that remuneration of the executive board reflects the long-term value creation in the company and the results otherwise achieved by the executive board.</i></p> <p><i>The chairman of the board of directors organises, convenes and leads meetings of the board of directors to ensure efficiency in the board's work and to create the best possible working conditions for the members individually and collectively. This ensures that the individual member's special knowledge and skills are used in the best possible manner and to the benefit of the company.</i></p> <p><i>In order for the board of directors to be able to meet its obligations, the chairman should cooperate with the board of directors on ensuring that members regularly receive updates, and expand their knowledge about matters relevant to the company, as well as ensure that the special knowledge and skills of each individual member are used in the best possible manner to the benefit of the company.</i></p>	<p>N/A</p>
<p><b>2.1. Overall tasks and responsibilities</b></p>	
<p><b>2.1.1.</b> The Committee <b>recommends</b> that at least once a year the board of directors take a position on the matters related to the board's performance of its responsibilities.</p>	<p>The Board of Directors annually takes a position on the matters related to the Board's performance of its responsibilities. The Board has established its most important tasks in its Rules of Procedure and its annual calendar, and this includes how to supervise the work of Executive Management.</p> <p>The processes and procedures regarding the Board's work, including the Rules of Procedure of the Board, have been tailor-made to the Board and are regularly (at least once a year) reviewed and updated, if necessary.</p>

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<p>2.1.2.</p> <p>The Committee <b>recommends</b> that at least once a year the board of directors take a position on the overall strategy of the company with a view to ensuring value creation in the company.</p>	<p>The Board determines at a 2-3 day board meeting in June the overall strategy, and this is done with a view to sustaining value creation. In addition the Board discuss strategic questions at each board meeting.</p>
<p>2.1.3.</p> <p>The Committee <b>recommends</b> that the board of directors ensure that the company has a capital and share structure ensuring that the strategy and long-term value creation of the company are in the best interest of the shareholders and the company, and that the board of directors presents this in the management commentary on the company's annual report and/or on the company's website.</p>	<p>The Board assesses regularly – and at least once a year in January – whether the capital and share structure ensure that the strategy and long-term value creation of the company are in the best interest of the shareholders and the company. The Annual Report contains the Board's assessment.</p>
<p>2.1.4.</p> <p>The Committee <b>recommends</b> that the board of directors annually review and approve guidelines for the executive board; this includes establishing requirements for the executive board on timely, accurate and adequate reporting to the board of directors.</p>	<p>The Board of Directors reviews and approves at least once a year in December guidelines for Executive Management and an annual calendar has been established with a view to ensure timely reporting by Executive Management.</p>
<p>2.1.5.</p> <p>The Committee <b>recommends</b> that at least once a year the board of directors discuss the composition of the executive board, as well as developments, risks and succession plans.</p>	<p>The Board of Directors annually discusses the composition of Executive Management as well as developments, risks and succession plans as part of the annual organizational audit process.</p>
<p>2.1.6.</p> <p>The Committee <b>recommends</b> that once a year the board of directors discuss the company's activities to ensure relevant diversity at management levels, including setting specific goals and accounting for its objectives and progress made in achieving the objectives in the management commentary on the company's annual report and/or on the website of the company.</p>	<p>To ensure that discussions include multiple perspectives on the complex, global pharmaceutical environment, the Board aspires to be diverse in gender and nationality. On this background, it is the aim that by 2020 the Board consists of at least two shareholder elected board members with Nordic nationality and at least two shareholder elected board members with another nationality than Nordic - and at least three shareholder elected board members of each gender.</p> <p>In addition, the Board regularly, and at least annually, discusses the company's activities to ensure diversity at management levels and set measurable objectives.</p> <p>Novo Nordisk accounts for its target numbers – and the progress made in achieving such targets - and diversity policy in the Communication on Progress to the UN Global Compact which can be found at the Novo Nordisk website.</p> <p>All senior management teams are required to discuss their specific diversity challenges and agree on key initiatives to meet their local challenges. These discussions are supported by standardised data material, which is also presented to the Board of Directors at least once a year.</p>
<p>2.2.</p> <p><b>Corporate Social Responsibility</b></p>	

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<p>2.2.1. The Committee <b>recommends</b> that the board of directors adopt policies on corporate social responsibility.</p>	<p>Corporate Social Responsibility is anchored in Novo Nordisk's Articles of Association, which state that the company seeks to conduct its business in the financially, environmentally and socially responsible way. This reflects the commitment to the Triple Bottom Line – a business principle that ensures balanced decision-making with an aim to contribute to sustainable development: to balance short-term gains with long-term profitability and shareholder return with other stakeholder interests. Novo Nordisk accounts for its performance on all three dimensions in its Annual Report.</p>
<p><b>2.3. Chairman and vice-chairman of the board of directors</b></p>	
<p>2.3.1. The Committee <b>recommends</b> appointing a vice-chairman of the board of directors who will assume the responsibilities of the chairman in the event of the chairman's absence, and who will also act as effective sparring partner for the chairman.</p>	<p>The Board has a chairman and a vice-chairman who constitute the Chairmanship and adheres to the recommendation.</p> <p>The Chairmanship's tasks, duties and responsibilities are described in the Rules of Procedure of the Board and the Charter of the Chairmanship, which has been approved by the Board and disclosed on the Novo Nordisk website.</p>
<p>2.3.2. The Committee <b>recommends</b> ensuring that, if the board of directors, in exceptional cases, asks the chairman of the board of directors to perform special operating activities for the company, including briefly participating in the day-to-day management, a board resolution to that effect be passed to ensure that the board of directors maintains its independent, overall management and control function. Resolutions on the chairman's participation in day-to-day management and the expected duration hereof should be published in a company announcement.</p>	<p>Novo Nordisk agrees with the recommendation in principle, and will on a case-by-case basis disclose details as required.</p>
<p><b>Chapter 3 Composition and organisation of the board of directors</b></p>	
<p><i>The board of directors should be composed so that it is able to execute its strategic, managerial and supervisory tasks.</i></p> <p><i>It is essential that the board of directors be composed so as to ensure effective performance of its tasks in a constructive and qualified dialogue with the executive board. It is also essential that the members of the board of directors always act independently of special interests.</i></p> <p><i>The board of directors defines the skills required by the company and regularly assesses whether its composition and the skills of its members individually and collectively reflect the requirements of the company's situation and conditions.</i></p> <p><i>Diversity improves the quality of the work and the interaction of the board of directors, e.g. through different approaches to the performance of management tasks.</i></p> <p><i>To increase value creation, the board of directors should evaluate its members every year and ensure integration of new talent while maintaining continuity.</i></p> <p><i>In addition to the members of the board of directors elected by the general meeting, the board of directors may comprise members elected by the employees pursuant to the regulations of the Companies Act.</i></p>	<p>N/A</p>

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<p><b>3.1. Composition</b></p>	
<p><b>3.1.1.</b> The Committee <b>recommends</b> that the board of directors annually accounts for</p> <ul style="list-style-type: none"> <li>the skills it must have to best perform its tasks,</li> <li>the composition of the board of directors, and</li> <li>the special skills of each member.</li> </ul>	<p>The competences that should be present in the Board of Directors are determined in the Competence Profile. The Competence Profile is reviewed annually by the Nomination Committee and presented to the Board for approval.</p> <p>The Competence Profile of the Board of Directors is disclosed on the Novo Nordisk website.</p> <p>A profile of each board member, including the special competences possessed by each board member, is included in the Annual Report, on the Novo Nordisk website and in the notice convening the annual general meeting. The Annual Report also includes an account of the current composition of the Board of Directors including its diversity, and the notice includes an account of the proposed composition of the Board of Directors including its diversity.</p>
<p><b>3.1.2.</b> The Committee <b>recommends</b> that the selection and nomination of candidates for the board of directors be carried out through a thoroughly transparent process approved by the overall board of directors. When assessing its composition and nominating new candidates, the board of directors must take into consideration the need for integration of new talent and diversity in relation to age, international experience and gender.</p>	<p>The Board has established a thorough and transparent process for nomination of candidates to the Board of Directors which is formalised in the Rules of Procedure and the Nomination Committee Charter, which are accessible on Novo Nordisk's website. The Board takes the need for integration of new talent and diversity into consideration when evaluating its composition.</p>
<p><b>3.1.3.</b> The Committee <b>recommends</b> that a description of the nominated candidates' qualifications be accompanied by the notice convening the general meeting when election of members to the board of directors is on the agenda, including information about the candidates'</p> <ul style="list-style-type: none"> <li>other executive functions, e.g. memberships in executive boards, boards of directors, and supervisory boards, including board committees in foreign enterprises, demanding organizational tasks, and</li> <li>information about whether candidates to the board of directors are considered independent.</li> </ul>	<p>The recommended information is provided in the notice convening the annual general meeting.</p>
<p><b>3.1.4.</b> The Committee <b>recommends</b> that the company's articles of association stipulate a retirement age for members of the board of directors.</p>	<p>According to the Articles of Association and the Rules of Procedure of the Board, members of the Board must retire at the first annual general meeting after having reached the age of 70. Further, Novo Nordisk has stated the retirement age as well as the age of its board members in its Annual Report.</p>
<p><b>3.1.5.</b> The Committee <b>recommends</b> that members of the board of directors elected by the general meeting be up for election every year at the annual general meeting.</p>	<p>Shareholder-elected board members serve for a one-year term and can be re-elected at the annual general meeting.</p>

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<p><b>3.2. Independence of the board of directors</b></p> <p><b>3.2.1.</b> The Committee <b>recommends</b> that at least half of the members of the board of directors elected by the general meeting be independent persons, in order for the board of directors to be able to act independently of special interests.</p> <p>To be considered independent, this person may not:</p> <ul style="list-style-type: none"> <li>• be or within the past five years have been member of the executive board, or senior staff member in the company, a subsidiary undertaking or an associate,</li> <li>• within the past five years, have received larger emoluments from the company/group, a subsidiary undertaking or an associate in another capacity than as member of the board of directors,</li> <li>• represent the interests of a controlling shareholder</li> <li>• within the past year, have had significant business relations (e.g. personal or indirectly as partner or employee, shareholder, customer, supplier or member of the executive management in companies with corresponding connection) with the company, a subsidiary undertaking or an associate,</li> <li>• be or within the past three years have been employed or partner at the external auditor,</li> <li>• have been chief executive in a company holding cross-memberships with the company,</li> <li>• have been member of the board of directors for more than 12 years, or</li> <li>• have been close relatives with persons who are not considered independent.</li> </ul>	<p>More than half of the shareholder-elected board members (four of seven) are deemed independent.</p> <p>None of the shareholder-elected board members have been members of Executive Management of Novo Nordisk, a subsidiary undertaking or an associate within the last five years.</p> <p>Apart from executive and employee pay or a fee for servicing on the Board, none of the board members have received such larger emoluments within the past five years.</p> <p>Three of the shareholder-elected board members are board members or executives in Novo Nordisk's majority shareholder, Novo Holdings A/S.</p> <p>None of the shareholder-elected board members have within the last year had a material business relationship with Novo Nordisk or an associated company.</p> <p>None of the shareholder-elected board members have been employed with the external auditor.</p> <p>None of the shareholder-elected board members hold cross-memberships.</p> <p>One of the shareholder-elected board members has served on the Board for more than 12 years.</p> <p>None of the shareholder-elected board members have such family ties.</p>
<p><b>3.3. Members of the board of directors and the number of other executive functions</b></p> <p><b>3.3.1.</b> The Committee <b>recommends</b> that each member of the board of directors assesses the expected time commitment for each function in order that the member does not take on more functions than he/she can manage satisfactorily for the company.</p>	<p>All board members have assessed his/her expected time commitment, and that the board member does not hold more positions than he/she can manage.</p>
<p><b>3.3.2.</b> The Committee recommends that the management commentary, in addition to the provisions laid down by legislation, includes the following information about the members of the board of directors:</p> <ul style="list-style-type: none"> <li>• the position of the relevant person,</li> <li>• the age and gender of the relevant person,</li> <li>• whether the member is considered independent,</li> <li>• the date of appointment to the board of directors of the member,</li> <li>• expiry of the current election period,</li> <li>• other executive functions, e.g. memberships in executive boards, boards of directors, and supervisory boards, including board committees in foreign enterprises and demanding organizational tasks, and</li> <li>• the number of shares, options, warrants and similar in</li> </ul>	<p>The Annual Report contains the recommended information.</p>

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<p>the company, and other group companies of the company, owned by the member, as well as changes in the portfolio of the member of the securities mentioned which have occurred during the financial year.</p>	
<p><b>3.4. Board committees</b></p>	
<p><b>3.4.1.</b> The Committee <b>recommends</b> that the company publish the following on the company's website:</p> <ul style="list-style-type: none"> <li>• the terms of reference of the board committees,</li> <li>• the most important activities of the committees during the year, and the number of meetings held by each committee, and</li> <li>• the names of the members of each committee, including the chairmen of the committees, as well as information on which members are independent members and which members have special qualifications.</li> </ul>	<p>The Board has a Chairmanship and four Board committees (an Audit Committee, a Nomination Committee, a Remuneration Committee and a temporary Research &amp; Development Committee). Novo Nordisk discloses on its website charters for all 5 bodies, descriptions of important activities during the year, and the number of meetings as well as names, positions and relevant qualifications.</p>
<p><b>3.4.2.</b> The Committee <b>recommends</b> that a majority of the members of a board committee be independent.</p>	<p>The Audit Committee consists of three members who are independent and one member who is an employee representative and, thus, not independent. Hence, the majority of the Audit Committee is independent and the composition of the Audit Committee therefore adheres to the Danish Corporate Governance Recommendations.</p> <p>The Nomination Committee consists of two members who are independent as defined in the Danish Corporate Governance Recommendations and three members who are non-independent, including the chairman. One member is an employee representative. Hence, the composition of the Nomination Committee does not conform to the Danish Corporate Governance Recommendations. This is due to the fact that the Board of Directors finds that the composition of the Nomination Committee allows for a member from the Chairmanship, which consists of two non-independent board member, a representative of the majority shareholder, who qualifies as a non-independent board member, as well as an employee representative, who also qualifies as a non-independent board member, being on the Nomination Committee while maintaining an operational structure of the Nomination Committee with relative few members.</p> <p>Currently all three members of the Remuneration Committee qualify as non-independent pursuant to the Danish Corporate Governance Recommendations. One member is an employee representative. Hence, the composition of the Remuneration Committee does not conform to the Danish Corporate Governance Recommendations. This is due to the fact that the Board of Directors finds that the composition of the Remuneration Committee allows for a member from the Chairmanship, which consists of two non-independent board members, a representative of the majority shareholder, who qualifies as a non-independent board member, as well as an employee representative, who also qualifies as a non-independent board member, being on the Remuneration Committee while maintaining an operational structure of the Remuneration Committee with relative few members.</p>

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	<p>The Research &amp; Development Committee consists of two members who are independent, and two members who are not independent, including the chairman. Hence, the composition of the Research &amp; Development Committee does not conform to the Danish Corporate Governance Recommendations. This is due to the fact that the Board of Directors finds that the Research &amp; Development Committee should be composed of members who all have a significant prior experience in relation to research and development while maintaining an operational structure of the Research &amp; Development Committee with relative few members.</p>
<p><b>3.4.3.</b> The Committee <b>recommends</b> that the board of directors set up a formal <u>audit committee</u> composed such that</p> <ul style="list-style-type: none"> <li>the chairman of the board of directors is not chairman of the audit committee, and</li> <li>between them, the members should possess such expertise and experience as to provide an updated insight into and experience in the financial, accounting and audit aspects of companies whose shares are admitted to trading on a regulated market.</li> </ul>	<p>The Board has established an Audit Committee and the chairman of the Board is not the chairman of the Audit Committee. Two members have been designated as financial experts under U.S. Securities and Exchange Commission (the "SEC") rules. Under the Danish Act on Approved Auditors and Audit Firms, two members qualify as financial experts.</p>
<p><b>3.4.4.</b> The Committee <b>recommends</b> that, prior to the approval of the annual report and other financial reports, the audit committee monitors and reports to the board of directors about:</p> <ul style="list-style-type: none"> <li>significant accounting policies,</li> <li>significant accounting estimates,</li> <li>related party transactions, and</li> <li>uncertainties and risks, including in relation to the outlook for the current year.</li> </ul>	<p>The Board has approved a Charter for the Audit Committee setting out its responsibilities and powers.</p> <p>As stated in the Charter, the Audit Committee is, amongst other things, responsible for oversight of and reporting to the Board on the elements described in the recommendation.</p>
<p><b>3.4.5.</b> The Committee <b>recommends</b> that the audit committee:</p> <ul style="list-style-type: none"> <li>annually assesses the need for an internal audit, and in such case, makes recommendations on selecting, appointing and removing the head of the internal audit function and on the budget of the internal audit function, and</li> <li>monitor the executive board's follow-up on the conclusions and recommendations of the internal audit function.</li> </ul>	<p>The Audit Committee has determined that it is appropriate to have an Internal Audit function. In accordance with its Charter the Audit Committee carries out the tasks included in the recommendation.</p>

## Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

## Novo Nordisk's approach

3.4.6.

The Committee **recommends** that the board of directors establish a nomination committee chaired by the chairman of the board of directors with at least the following preparatory tasks:

- describe the qualifications required by the board of directors and the executive board, and for a specific membership, state the time expected to be spent on having to carry out the membership, as well as assess the competences, knowledge and experience of the two governing bodies combined,
- annually assess the structure, size, composition and results of the board of directors and the executive board, as well as recommend any changes to the board of directors,
- annually assess the competences, knowledge and experience of the individual members of management, and report to the board of directors in this respect,
- consider proposals from relevant persons, including shareholders and members of the board of directors and the executive board for candidates for the board of directors and the executive board, and
- propose an action plan to the board of directors on the future composition of the board of directors, including proposals for specific changes.

The Board has established a Nomination Committee chaired by the chairman of the Board of Directors. The Board has approved a Charter for the Nomination Committee setting out its responsibilities and powers.

The primary focus for the Nomination Committee remains with defining the qualifications and assess the composition and skills of the Board of Directors while at the same time ensuring the continuity and alignment in the succession planning of the Board of Directors and Executive Management.

3.4.7.

The Committee **recommends** that the board of directors establish a remuneration committee with at least the following preparatory tasks:

- to recommend the remuneration policy (including the general guidelines for incentive-based remuneration) to the board of directors and the executive board for approval by the board of directors prior to approval by the general meeting,
- make proposals to the board of directors on remuneration for members of the board of directors and the executive board, as well as ensure that the remuneration is in compliance with the company's remuneration policy and the assessment of the performance of the persons concerned. The committee should have information about the total amount of remuneration that members of the board of directors and the executive board receive from other companies in the group, and
- recommend a remuneration policy applicable for the company in general.

The Board has established a Remuneration Committee chaired by the Chairman of the Board of Directors. The Board has approved a Charter for the Remuneration Committee setting out its responsibilities and powers.

In accordance with its Charter the Remuneration Committee carries out the tasks regarding remuneration to the Board of Directors and Executive Management, while the responsibility of the remuneration policy applicable for the company in general lies with Executive Management.

3.4.8.

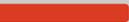
The Committee **recommends** that the remuneration committee do not consult with the same external advisers as the executive board of the company.

The Remuneration Committee may engage independent advisers as it determines necessary to carry out its duties. The Remuneration Committee does not consult the same external advisers as Executive Management.

<p><b>Danish Corporate Governance Recommendations</b></p> <p>The recommendation is being fulfilled</p> <p>The recommendation is partially being fulfilled</p> <p>The recommendation is not being fulfilled</p>	<p><b>Novo Nordisk's approach</b></p>
<p><b>3.5. Evaluation of the performance of the board of directors and the executive board</b></p>	
<p><b>3.5.1.</b> The Committee <b>recommends</b> that the board of directors establish an evaluation procedure where contributions and results of the board of directors and the individual members, as well as collaboration with the executive board are annually evaluated. Significant changes deriving from the evaluation should be included in the management commentary or on the company's website.</p>	<p>The Board conducts an annual self-assessment of its effectiveness as a collective body, and this assessment includes an assessment of each individual member and such member's effectiveness and competencies as well as collaboration with Executive Management.</p> <p>The Board's annual self-assessment is directed by the Chairmanship and is typically facilitated by an external consultant every third year. The outcome is discussed by the Board, and both the process and the outcome of the self-assessment are described in the Annual Report.</p>
<p><b>3.5.2.</b> The Committee <b>recommends</b> that in connection with preparation of the general meeting, the board of directors consider whether the number of members is appropriate in relation to the requirements of the company. This should help ensure a constructive debate and an effective decision-making process in which all members are given the opportunity to participate actively.</p>	<p>The Board has eleven members, of whom seven are elected by shareholders at general meetings, and four are Novo Nordisk employees from Denmark, elected by Danish employees. The size of the Board allows for constructive debate and an effective decision-making process, and enables all board members to play an active role.</p> <p>The Board annually reviews its size and has determined that the size of the Board is appropriate.</p>
<p><b>3.5.3.</b> The Committee <b>recommends</b> that at least once every year the board of directors evaluate the work and performance of the executive board in accordance with predefined clear criteria.</p>	<p>The Board assesses the performance of each executive continuously on an informal basis and formally once a year. The chairman also conducts at least one annual interview with each executive.</p>
<p><b>3.5.4.</b> The Committee <b>recommends</b> that the executive board and the board of directors establish a procedure according to which their cooperation is evaluated annually through a formalized dialogue between the chairman of the board of directors and the chief executive officer and that the outcome of the evaluation be presented to the board of directors.</p>	<p>The collaboration between the Board and Executive Management is assessed as part of the Board's annual self-assessment procedure. This is discussed among the Board and Executive Management as well as between the chairman and the chief executive officer.</p>
<p><b>Chapter 4 Remuneration of management</b></p> <p><i>Openness and transparency about all important issues regarding company policy on and amounts of the total remuneration offered to members of the governing bodies are essential. Company policy on remuneration should support a long-term value creation for the company.</i></p> <p><i>Competitive remuneration is a prerequisite for attracting and retaining competent members of the management of the company (the board of directors and the executive board). The company should have a remuneration policy, according to which the total remuneration package, i.e. the fixed and variable components and other remuneration components, as well as other significant employment terms, should be reasonable and reflect the governing body members' independent performance, responsibilities and value creation for the company.</i></p> <p><i>The variable component of the remuneration (the incentive pay scheme) should be based on actual achievements over a period of time with a view to long-term value creation so as not to promote short-term and risky behaviour.</i></p>	<p>N/A</p>

<p><b>Danish Corporate Governance Recommendations</b></p> <p>The recommendation is being fulfilled</p> <p>The recommendation is partially being fulfilled</p> <p>The recommendation is not being fulfilled</p>	<p><b>Novo Nordisk's approach</b></p>
<p><b>4.1. Form and content of the remuneration policy</b></p>	
<p><b>4.1.1.</b> The Committee <b>recommends</b> that the board of directors prepare a clear and transparent remuneration policy for the board of directors and the executive board, including</p> <ul style="list-style-type: none"> <li>• a detailed description of the components of the remuneration for members of the board of directors and the executive board,</li> <li>• the reasons for choosing the individual components of the remuneration, and</li> <li>• a description of the criteria on which the balance between the individual components of the remuneration is based.</li> </ul> <p>The remuneration policy should be approved by the general meeting and published on the company's website.</p>	<p>The Board of Directors has adopted Remuneration Principles containing a thorough description of the components of the remuneration. The Remuneration Principles include the reasons for choosing the individual components of the remuneration and a description of the criteria on which the balance between the individual components of the remuneration is based.</p> <p>The Remuneration Principles and any changes hereto are approved by the annual general meeting and are described in the Annual Report as well as disclosed on the company's website.</p>
<p><b>4.1.2.</b> The Committee <b>recommends</b> that, if the remuneration policy includes variable components,</p> <ul style="list-style-type: none"> <li>• limits be set on the variable components of the total remuneration package,</li> <li>• a reasonable and balanced linkage be ensured between remuneration for governing body members, expected risks and the value creation for shareholders in the short and long terms,</li> <li>• there be clarity about performance criteria and measurability for award of variable components,</li> <li>• there be criteria ensuring that qualifying periods for variable components in remuneration agreements are longer than one calendar year, and</li> <li>• an agreement is made which, in exceptional cases, entitles the company to reclaim in full or in part variable components of remuneration that were paid on the basis of data, which proved to be misstated.</li> </ul>	<p>Executives, but not board members, are remunerated in parts with variable components.</p> <p>The variable components of the remuneration are based on actual achievements over a period of time with a view to long-term value creation. The variable components are described in the Remuneration Principles, as approved by the Board and the shareholders at the annual general meeting, reflecting the terms described in the recommendation.</p> <p>Novo Nordisk has the right to reclaim in full or in part variable components of remuneration that were paid on the basis of data that prove to be manifestly misstated.</p>
<p><b>4.1.3.</b> The Committee <b>recommends</b> that remuneration of members of the board of directors does not include share options.</p>	<p>As described in the Remuneration Principles approved by the annual general meeting the remuneration of the Board does not consist of share option schemes or other incentive schemes.</p>
<p><b>4.1.4.</b> The Committee <b>recommends</b> that if share-based remuneration is provided, such programmes be established as roll-over programmes, i.e. the options are granted periodically and should have a maturity of at least three years from the date of allocation.</p>	<p>The Board establishes every year a long term incentive programme and allocate a number of shares to each executive in case and to the extent certain predefined criteria have been met. The shares allocated for a given year will be locked up for three years before they are transferred to the executives as further described in the Remuneration Principles.</p>
<p><b>4.1.5.</b> The Committee <b>recommends</b> that agreements on termination payments should not amount to more than two years' annual remuneration.</p>	<p>Two executive employment contracts entered into before 2008 allow for severance payments of up to three years' remuneration plus pension benefits. For executives who have joined Executive Management after 2008 and for all future employment contracts for executives, the severance payment was and will be no more than 24 months' fixed base salary plus pension contribution, which will bring Novo Nordisk into alignment with the Danish Corporate Governance Recommendations in the long term.</p>

<p><b>Danish Corporate Governance Recommendations</b></p> <p>The recommendation is being fulfilled</p> <p>The recommendation is partially being fulfilled</p> <p>The recommendation is not being fulfilled</p>	<p><b>Novo Nordisk's approach</b></p>
<p><b>4.2. Disclosure of the remuneration policy</b></p>	
<p><b>4.2.1.</b> The Committee <b>recommends</b> that the company's remuneration policy and compliance with this policy be explained and justified annually in the chairman's statement at the company's general meeting.</p>	<p>The Remuneration Principles and the approval of the remuneration of the board members are dealt with as separate agenda items at the annual general meeting.</p>
<p><b>4.2.2.</b> The Committee <b>recommends</b> that the proposed remuneration for the board of directors for the current financial year be approved by the shareholders at the general meeting.</p>	<p>The approval of the remuneration of the board members for the preceding and current year are dealt with and approved as a separate agenda item at the annual general meeting.</p>
<p><b>4.2.3.</b> The Committee <b>recommends</b> that the total remuneration granted to each member of the board of directors and the executive board by the company and other companies in the group, including information on the most important contents of retention and retirement/resignation schemes, be disclosed in the annual report and that the linkage with the remuneration policy be explained.</p>	<p>The Annual Report includes such information.</p>
<p><b>Chapter 5 Financial reporting, risk management and audits</b></p>	
<p><i>Each member of the board of directors and the executive board is responsible for preparing the annual report and other financial reports in accordance with current legislation, applicable standards and any further requirements concerning financial statements stipulated in the articles of association, etc.</i></p> <p><i>The annual report and other financial reports should be supplemented by additional financial and non-financial information, if deemed necessary or relevant in relation to the information needs of the recipients.</i></p> <p><i>The members of the board of directors and executive board must ensure that the financial reporting is easy to understand and balanced and provides a true and fair view of the company's financial position, performance and cash flow. The management commentary must give a true and fair presentation of the state of affairs, including value creation and the outlook.</i></p> <p><i>When considering and approving the annual report, the board of directors must decide whether the business is a going concern, including supporting assumptions or qualifications where necessary.</i></p> <p><i>Effective risk management and an effective internal control system contribute to reducing strategic and business risks, to ensuring observance of current rules and regulations and to ensuring the quality of the basis for management decisions and financial reporting. It is essential that the risks are identified and communicated, and that the risks are managed appropriately.</i></p> <p><i>Effective risk management and internal control are a precondition for the board of directors and the executive board to efficiently perform the tasks bestowed upon them. Consequently, it is essential that the board of directors ensure effective risk management and effective internal controls.</i></p> <p><i>An independent and competent audit is essential for the board's work.</i></p>	<p>N/A</p>

Danish Corporate Governance Recommendations		Novo Nordisk's approach
<p> The recommendation is being fulfilled</p> <p> The recommendation is partially being fulfilled</p> <p> The recommendation is not being fulfilled</p>		
<b>5.1.</b>	<b>Identification of risks and transparency about other relevant information</b>	
<b>5.1.1.</b>	The Committee <b>recommends</b> that the board of directors in the management commentary review and account for the most important strategic and business-related risks, risks in connection with the financial reporting as well as for the company's risk management.	The Board of Directors reviews and accounts for such risks in the Annual Report.
<b>5.2.</b>	<b>Whistleblower scheme</b>	
<b>5.2.1.</b>	The Committee <b>recommends</b> that the board of directors decide whether to establish a whistleblower scheme for expedient and confidential notification of possible or suspected wrongdoing.	The Board has established a whistleblowing scheme.
<b>5.3.</b>	<b>Contact to auditor</b>	
<b>5.3.1.</b>	The Committee <b>recommends</b> that the board of directors ensure regular dialogue and exchange of information between the auditor and the board of directors, including that the board of directors and the audit committee at least once a year meet with the auditor without the executive board present. This also applies to the internal auditor, if any.	<p>The Board, via the Audit Committee, maintains a regular dialogue and exchange of information with the external auditor.</p> <p>The Board and the Audit Committee meet with the Internal Audit department and the external auditor at least once per year without the executives being present. Also, the Internal Audit department and the external auditor participate in the board meeting where the financial reports are approved.</p>
<b>5.3.2.</b>	The Committee <b>recommends</b> that the audit agreement and auditors' fee be agreed between the board of directors and the auditor on the basis of a recommendation from the audit committee.	The auditor agreement and the auditor's fee are approved by the Board on the basis of a recommendation from the Audit Committee.